

made by subsection (a)) have been used by State agencies to increase the number of work slots for recipients subject to section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o)) in employment and training programs and workfare in the most efficient and effective manner practicable.”

#### QUALITY CONTROL SANCTIONS

Section 1751 of Pub. L. 101-624 provided that:

“(a) IN GENERAL.—No disallowance or other similar action shall be applied to or collected from any State for any of the fiscal years 1983, 1984, or 1985 under section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)) or any predecessor statutory or regulatory provision relating to disallowances or other similar actions for erroneous issuances made in carrying out a State plan under such Act [7 U.S.C. 2011 et seq.], except for amounts to be paid or collected after the date of enactment of this Act [Nov. 28, 1990] pursuant to settlement agreements which do not provide for payment adjustments based on future changes in law.

“(b) APPLICATION.—Subsection (a) shall also apply to disallowances described in subsection (a) with respect to which an administrative or judicial appeal is pending on the date of enactment of this Act [Nov. 28, 1990], including any such disallowance that has been collected before such date.”

#### QUALITY CONTROL STUDIES AND PENALTY MORATORIUM

Section 1538 of Pub. L. 99-198, as amended by Pub. L. 99-260, §12, Mar. 20, 1986, 100 Stat. 52, provided that:

“(a)(1)(A) The Secretary of Agriculture (hereinafter referred to in this section as the ‘Secretary’) shall conduct a study of the quality control system used for the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

“(B) The study shall—

“(i) examine how best to operate such system in order to obtain information that will allow the State agencies to improve the quality of administration; and

“(ii) provide reasonable data on the basis of which Federal funding may be withheld for State agencies with excessive levels of erroneous payments.

“(2)(A) The Secretary shall also contract with the National Academy of Sciences to conduct a concurrent independent study for the purpose described in paragraph (1).

“(B) For purposes of such study, the Secretary shall provide to the National Academy of Sciences any relevant data available to the Secretary at the onset of the study and on an ongoing basis.

“(3) Not later than 1 year after the date the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2), the Secretary and the National Academy of Sciences shall report the results of their respective studies to the Congress.

“(b)(1) During the 6-month period beginning on the date of enactment of this Act [Dec. 23, 1985] (hereinafter in this section referred to as the ‘moratorium period’), the Secretary shall not impose any reductions in payments to State agencies pursuant to section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025).

“(2) During the moratorium period, the Secretary and the State agencies shall continue to—

“(A) operate the quality control systems in effect under the Food Stamp Act of 1977 [7 U.S.C. 2011 et seq.]; and

“(B) calculate error rates under section 16 of such Act [7 U.S.C. 2025].

“(c)(1) Not later than 6 months after the date on which the results of both studies required under subsection (a)(3) have been reported, the Secretary shall publish regulations that shall—

“(A) restructure the quality control system used under the Food Stamp Act of 1977 [7 U.S.C. 2011 et seq.] to the extent the Secretary determines to be appropriate, taking into account the studies conducted under subsection (a); and

“(B) establish, taking into account the studies conducted under subsection (a), criteria for adjusting the reductions that shall be made for quarters prior to the implementation of the restructured quality control system so as to eliminate reductions for those quarters that would not be required if the restructured quality control system had been in effect during those quarters.

“(2) Beginning 6 months after the date on which the results of both studies required under subsection (a)(3) have been reported, the Secretary shall—

“(A) implement the restructured quality control system; and

“(B) reduce payments to State agencies—

“(i) for quarters after implementation of such system in accordance with the restructured quality control system; and

“(ii) for quarters before implementation of such system, as provided under the regulations described in paragraph (1)(B).”

## § 2026. Research, demonstration, and evaluations

### (a) Contracts or grants; issuance of aggregate allotments

(1) The Secretary may enter into contracts with or make grants to public or private organizations or agencies under this section to undertake research that will help improve the administration and effectiveness of the food stamp program in delivering nutrition-related benefits. The waiver authority of the Secretary under subsection (b) of this section shall extend to all contracts and grants under this section.

(2) The Secretary may, on application, permit not more than two State agencies to establish procedures that allow households whose monthly food stamp benefits do not exceed \$20, at their option, to receive, in lieu of their food stamp benefits for the initial period under section 2017 of this title and their regular allotment in following months, and at intervals of up to 3 months thereafter, aggregate allotments not to exceed \$60 and covering not more than 3 months’ benefits. The allotments shall be provided in accordance with paragraphs (3) and (9) of section 2020(e) of this title (except that no household shall begin to receive combined allotments under this section until it has complied with all applicable verification requirements of section 2020(e)(3) of this title) and (with respect to the first aggregate allotment so issued) within 40 days of the last coupon issuance.

### (b) Pilot projects

(1)(A) The Secretary may conduct on a trial basis, in one or more areas of the United States, pilot or experimental projects designed to test program changes that might increase the efficiency of the food stamp program and improve the delivery of food stamp benefits to eligible households, and may waive any requirement of this chapter to the extent necessary for the project to be conducted.

(B) PROJECT REQUIREMENTS.—

(i) PROGRAM GOAL.—The Secretary may not conduct a project under subparagraph (A) unless—

(I) the project is consistent with the goal of the food stamp program of providing food assistance to raise levels of nutrition among low-income individuals; and

(II) the project includes an evaluation to determine the effects of the project.

(ii) **PERMISSIBLE PROJECTS.**—The Secretary may conduct a project under subparagraph (A) to—

- (I) improve program administration;
- (II) increase the self-sufficiency of food stamp recipients;
- (III) test innovative welfare reform strategies; or
- (IV) allow greater conformity with the rules of other programs than would be allowed but for this paragraph.

(iii) **RESTRICTIONS ON PERMISSIBLE PROJECTS.**—If the Secretary finds that a project under subparagraph (A) would reduce benefits by more than 20 percent for more than 5 percent of households in the area subject to the project (not including any household whose benefits are reduced due to a failure to comply with work or other conduct requirements), the project—

- (I) may not include more than 15 percent of the State's food stamp households; and
- (II) shall continue for not more than 5 years after the date of implementation, unless the Secretary approves an extension requested by the State agency at any time.

(iv) **IMPERMISSIBLE PROJECTS.**—The Secretary may not conduct a project under subparagraph (A) that—

(I) involves the payment of the value of an allotment in the form of cash, unless the project was approved prior to August 22, 1996;

(II) has the effect of substantially transferring funds made available under this chapter to services or benefits provided primarily through another public assistance program, or using the funds for any purpose other than the purchase of food, program administration, or an employment or training program;

(III) is inconsistent with—

(aa) paragraphs (4) and (5) of section 2012(i) of this title;

(bb) the last sentence of section 2014(a) of this title, insofar as a waiver denies assistance to an otherwise eligible household or individual if the household or individual has not failed to comply with any work, behavioral, or other conduct requirement under this or another program;

(cc) section 2014(c)(2) of this title;

(dd) paragraph (2)(B), (4)(F)(i), or (4)(K) of section 2015(d) of this title;

(ee) section 2017(b) of this title;

(ff) section 2020(e)(2)(B) of this title;

(gg) the time standard under section 2020(e)(3) of this title;

(hh) subsection (a), (c), (g), (h)(2), or (h)(3) of section 2025 of this title;

(ii) this paragraph; or

(jj) subsection (a)(1) or (g)(1) of section 2029 of this title;

(IV) modifies the operation of section 2014 of this title so as to have the effect of—

(aa) increasing the shelter deduction to households with no out-of-pocket housing costs or housing costs that consume a low percentage of the household's income; or

(bb) absolving a State from acting with reasonable promptness on substantial re-

ported changes in income or household size (except that this subclause shall not apply with regard to changes related to food stamp deductions);

(V) is not limited to a specific time period;

(VI) waives a provision of section 2035 of this title; or

(VII) waives a provision of section 2016(j) of this title.

(v) **ADDITIONAL INCLUDED PROJECTS.**—A pilot or experimental project may include projects involving the payment of the value of allotments or the average value of allotments by household size in the form of cash to eligible households all of whose members are age sixty-five or over or any of whose members are entitled to supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the use of countersigned food coupons or similar identification mechanisms that do not invade a household's privacy, and the use of food checks or other voucher-type forms in place of food coupons.

(vi) **CASH PAYMENT PILOT PROJECTS.**—Any pilot or experimental project implemented under this paragraph and operating as of October 1, 1981, involving the payment of the value of allotments in the form of cash to eligible households all of whose members are either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act shall be continued through October 1, 2007, if the State so requests.

(C)(i) No waiver or demonstration program shall be approved under this chapter after November 28, 1990, unless—

(I) any household whose food assistance is issued in a form other than coupons has its allotment increased to the extent necessary to compensate for any State or local sales tax that may be collected in all or part of the area covered by the demonstration project, the tax on purchases of food by any such household is waived, or the Secretary determines on the basis of information provided by the State agency that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and

(II) the State agency conducting the demonstration project pays the cost of any increased allotments.

(ii) Clause (i) shall not apply if a waiver or demonstration project already provides a household with assistance that exceeds that which the household would otherwise be eligible to receive by more than the estimated amount of any sales tax on the purchases of food that would be collected from the household in the project area in which the household resides.

(D) **RESPONSE TO WAIVERS.**—

(i) **RESPONSE.**—Not later than 60 days after the date of receiving a request for a waiver under subparagraph (A), the Secretary shall provide a response that—

(I) approves the waiver request;

(II) denies the waiver request and describes any modification needed for approval of the waiver request;

(III) denies the waiver request and describes the grounds for the denial; or

(IV) requests clarification of the waiver request.

(ii) FAILURE TO RESPOND.—If the Secretary does not provide a response in accordance with clause (i), the waiver shall be considered approved, unless the approval is specifically prohibited by this chapter.

(iii) NOTICE OF DENIAL.—On denial of a waiver request under clause (i)(III), the Secretary shall provide a copy of the waiver request and a description of the reasons for the denial to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) The Secretary shall, jointly with the Secretary of Labor, implement two pilot projects involving the performance of work in return for food stamp benefits in each of the seven administrative regions of the Food and Nutrition Service of the Department of Agriculture, such projects to be (A) appropriately divided in each region between locations that are urban and rural in characteristics and among locations selected to provide a representative cross-section of political subdivisions in the States and (B) submitted for approval prior to project implementation, together with the names of the agencies or organizations that will be engaged in such projects, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate. Under such pilot projects, any person who is subject to the work registration requirements pursuant to section 2015(d) of this title, and is a member of a household that does not have earned income equal to or exceeding the allotment to which the household is otherwise entitled pursuant to section 2017(a) of this title, shall be ineligible to participate in the food stamp program as a member of any household during any month in which such person refuses, after not being offered employment in the private sector of the economy for more than thirty days (ten days in at least one pilot project area designated by the Secretary) after the initial registration for employment referred to in section 2015(d)(1)(A)(i) of this title, to accept an offer of employment from a political subdivision or provider pursuant to a program carried out under title I of the Workforce Investment Act of 1998 [29 U.S.C. 2801 et seq.], for which employment compensation shall be paid in the form of the allotment to which the household is otherwise entitled pursuant to section 2017(a) of this title, with each hour of employment entitling the household to a portion of the allotment equal in value to 100 per centum of the Federal minimum hourly rate under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(a)(1)); which employment shall not, together with any other hours worked in any other capacity by such person exceed forty hours a week; and which employment shall not be used by the employer to fill a job opening created by the action of such employer in laying off

or terminating the employment of any regular employee not supported under this paragraph in anticipation of filling the vacancy so created by hiring an employee or employees to be supported under this paragraph, if all of the jobs supported under the program have been made available to participants in the program before the political subdivision or provider providing the jobs extends an offer of employment under this paragraph, and if the political subdivision or provider, in employing the person, complies with the requirements of Federal law that relate to the program. The Secretary and the Secretary of Labor shall jointly issue reports to the appropriate committees of Congress on the progress of such pilot projects no later than six and twelve months following September 29, 1977, shall issue interim reports no later than October 1, 1979, October 1, 1980, and March 30, 1981, shall issue a final report describing the results of such pilot projects based upon their operation from their commencement through the fiscal year ending September 30, 1981, and shall pay to the agencies or organizations operating such pilot projects 50 per centum of all administrative costs involved in such operation.

(3)(A) The Secretary may conduct demonstration projects to test improved consistency or coordination between the food stamp employment and training program and the Job Opportunities and Basic Skills program under title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(B) Notwithstanding paragraph (1), the Secretary may, as part of a project authorized under this paragraph, waive requirements under section 2015(d) of this title to permit a State to operate an employment and training program for food stamp recipients on the same terms and conditions under which the State operates its Job Opportunities and Basic Skills program for recipients of aid to families with dependent children under part F<sup>1</sup> of title IV of the Social Security Act (42 U.S.C. 681 et seq.). Any work experience program conducted as part of the project shall be conducted in conformity with section 482(f)<sup>1</sup> of such Act (42 U.S.C. 682(f)).

(C) A State seeking such a waiver shall provide assurances that the resulting employment and training program shall meet the requirements of subsections (a)(19) and (g) of section 402<sup>1</sup> of such Act (42 U.S.C. 602) (but not including the provision of transitional benefits under clauses (ii) through (vii) of section 402(g)(1)(A)<sup>1</sup>) and sections 481 through 487<sup>1</sup> of such Act (42 U.S.C. 681 through 687). Each reference to “aid to families with dependent children” in such sections shall be deemed to be a reference to food stamps for purposes of the demonstration project.

(D) Notwithstanding the other provisions of this paragraph, participation in an employment and training activity in which food stamp benefits are converted to cash shall occur only with the consent of the participant.

(E) For the purposes of any project conducted under this paragraph, the provisions of this chapter affecting the rights of recipients may be waived to the extent necessary to conform to the provisions of section 402, and sections 481 through 487,<sup>1</sup> of the Social Security Act.

<sup>1</sup> See References in Text note below.

(F) At least 60 days prior to granting final approval of a project under this paragraph, the Secretary shall publish the terms and conditions for any demonstration project conducted under the paragraph for public comment in the Federal Register and shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(G) Waivers may be granted under this paragraph to conduct projects at any one time in a total of up to 60 project areas (or parts of project areas), as such areas are defined in regulations in effect on January 1, 1990.

(H) A waiver for a change in program rules may be granted under this paragraph only for a demonstration project that has been approved by the Secretary, that will be evaluated according to criteria prescribed by the Secretary, and that will be in operation for no more than 4 years.

(I) The Secretary may not grant a waiver under this paragraph on or after August 22, 1996. Any reference in this paragraph to a provision of title IV of the Social Security Act [42 U.S.C. 601 et seq.] shall be deemed to be a reference to such provision as in effect on the day before August 22, 1996.

**(c) Evaluation measures; pilot programs for nutritional monitoring**

The Secretary shall develop and implement measures for evaluating, on an annual or more frequent basis, the effectiveness of the food stamp program in achieving its stated objectives, including, but not limited to, the program's impact upon the nutritional and economic status of participating households, the program's impact upon all sectors of the agricultural economy, including farmers and ranchers, as well as retail food stores, and the program's relative fairness to households of different income levels, different age composition, different size, and different regions of residence. Further, the Secretary shall, by way of making contracts with or grants to public or private organizations or agencies, implement pilot programs to test various means of measuring on a continuing basis the nutritional status of low income people, with special emphasis on people who are eligible for food stamps, in order to develop minimum common criteria and methods for systematic nutrition monitoring that could be applied on a nationwide basis. The locations of the pilot programs shall be selected to provide a representative geographic and demographic cross-section of political subdivisions that reflect natural usage patterns of health and nutritional services and that contain high proportions of low income people. The Secretary shall report on the progress of these pilot programs on an annual basis commencing on July 1, 1982, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, together with such recommendations as the Secretary deems appropriate.

**(d) Employment initiatives program**

**(1) Election to participate**

**(A) In general**

Subject to the other provisions of this subsection, a State may elect to carry out an

employment initiatives program under this subsection.

**(B) Requirement**

A State shall be eligible to carry out an employment initiatives program under this subsection only if not less than 50 percent of the households in the State that received food stamp benefits during the summer of 1993 also received benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) during the summer of 1993.

**(2) Procedure**

**(A) In general**

A State that has elected to carry out an employment initiatives program under paragraph (1) may use amounts equal to the food stamp allotments that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, to provide cash benefits in lieu of the food stamp allotments to the household if the household is eligible under paragraph (3).

**(B) Payment**

The Secretary shall pay to each State that has elected to carry out an employment initiatives program under paragraph (1) an amount equal to the value of the allotment that each household participating in the program in the State would be eligible to receive under this chapter but for the operation of this subsection.

**(C) Other provisions**

For purposes of the food stamp program (other than this subsection)—

- (i) cash assistance under this subsection shall be considered to be an allotment; and
- (ii) each household receiving cash benefits under this subsection shall not receive any other food stamp benefit during the period for which the cash assistance is provided.

**(D) Additional payments**

Each State that has elected to carry out an employment initiatives program under paragraph (1) shall—

- (i) increase the cash benefits provided to each household participating in the program in the State under this subsection to compensate for any State or local sales tax that may be collected on purchases of food by the household, unless the Secretary determines on the basis of information provided by the State that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and
- (ii) pay the cost of any increase in cash benefits required by clause (i).

**(3) Eligibility**

A household shall be eligible to receive cash benefits under paragraph (2) if an adult member of the household—

- (A) has worked in unsubsidized employment for not less than the preceding 90 days;
- (B) has earned not less than \$350 per month from the employment referred to in subpara-

graph (A) for not less than the preceding 90 days;

(C)(i) is receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

(ii) was receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) at the time the member first received cash benefits under this subsection and is no longer eligible for the State program because of earned income;

(D) is continuing to earn not less than \$350 per month from the employment referred to in subparagraph (A); and

(E) elects to receive cash benefits in lieu of food stamp benefits under this subsection.

#### **(4) Evaluation**

A State that operates a program under this subsection for 2 years shall provide to the Secretary a written evaluation of the impact of cash assistance under this subsection. The State agency, with the concurrence of the Secretary, shall determine the content of the evaluation.

#### **(e) Study and report to Congressional committees of effect of reduction of benefits**

The Secretary shall conduct a study of the effects of reductions made in benefits provided under this chapter pursuant to part 1 of subtitle A of title I of the Omnibus Budget Reconciliation Act of 1981, the Food Stamp and Commodity Distribution Amendments of 1981, the Food Stamp Act Amendments of 1982, and any other laws enacted by the Ninety-seventh Congress which affect the food stamp program. The study shall include a study of the effect of retrospective accounting and periodic reporting procedures established under such Acts, including the impact on benefit and administrative costs and on error rates and the degree to which eligible households are denied food stamp benefits for failure to file complete periodic reports. The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report on the results of such study no later than February 1, 1984, and a final report on the results of such study no later than March 1, 1985.

#### **(f) Demonstration projects for development and use of intelligent computer benefit cards to pay food stamp benefits**

In order to encourage States to plan, design, develop, and implement a system for making food stamp benefits available through the use of intelligent benefit cards or other automated or electronic benefit delivery systems, the Secretary may conduct one or more pilot or experimental projects, subject to the restrictions imposed by subsection (b)(1) of this section and section 2016(g)(2) of this title, designed to test whether the use of such cards or systems can enhance the efficiency and effectiveness of program operations while ensuring that individuals receive correct benefit amounts on a timely basis. Intelligent benefit cards developed under such a demonstration project shall contain in-

formation, encoded on a computer chip embedded in a credit card medium, including the eligibility of the individual and the amount of benefits to which such individual is entitled. Any other automated or electronic benefit delivery system developed under such a demonstration project shall be able to use a plastic card to access such information from a data file.

#### **(g) Study of effectiveness of food stamp employment and training program**

In order to assess the effectiveness of the employment and training programs established under section 2015(d) of this title in placing individuals into the work force and withdrawing such individuals from the food stamp program, the Secretary is authorized to carry out studies comparing the pre- and post-program labor force participation, wage rates, family income, level of receipt of food stamp and other transfer payments, and other relevant information, for samples of participants in such employment and training programs as compared to the appropriate control or comparison groups that did not participate in such programs. Such studies shall, to the maximum extent possible—

(1) collect such data for up to 3 years after the individual has completed the employment and training program; and

(2) yield results that can be generalized to the national program as a whole.

The results of such studies and reports shall be considered in developing or updating the performance standards required under section 2015 of this title.

#### **(h) Demonstration projects for vehicle exclusion limits**

The Secretary shall conduct a sufficient number of demonstration projects to evaluate the effects, in both rural and urban areas, of including in financial resources under section 2014(g) of this title the fair market value of licensed vehicles to the extent the value of each vehicle exceeds \$4,500, but excluding the value of—

(1) any licensed vehicle that is used to produce earned income, necessary for transportation of an elderly or physically disabled household member, or used as the household's home; and

(2) one licensed vehicle used to obtain, continue, or seek employment (including travel to and from work), used to pursue employment-related education or training, or used to secure food or the benefits of the food stamp program.

#### **(i) Testing resource accumulation**

The Secretary shall conduct, under such terms and conditions as the Secretary shall prescribe, for a period not to exceed 4 years, projects to test allowing not more than 11,000 eligible households, in the aggregate, to accumulate resources up to \$10,000 each (which shall be excluded from consideration as a resource) for later expenditure for a purpose directly related to improving the education, training, or employability (including self-employment) of household members, for the purchase of a home for the household, for a change of the household's residence, or for making major repairs to the household's home.

**(j) Demonstration projects directed at food coupon trafficking**

The Secretary shall use up to \$4,000,000 of the funds provided in advance in appropriations Acts for projects authorized by this section to conduct demonstration projects in which State or local food stamp agencies test innovative ideas for working with State or local law enforcement agencies to investigate and prosecute coupon trafficking.

(Pub. L. 88–525, § 17, as added Pub. L. 93–86, § 3(n), Aug. 10, 1973, 87 Stat. 248; amended Pub. L. 95–113, title XIII, § 1301, Sept. 29, 1977, 91 Stat. 977; Pub. L. 95–400, Sept. 30, 1978, 92 Stat. 856; Pub. L. 96–249, title I, §§ 130–132(a), 133, May 26, 1980, 94 Stat. 367, 368; Pub. L. 97–98, title XIII, §§ 1328–1330, Dec. 22, 1981, 95 Stat. 1289, 1290; Pub. L. 97–253, title I, §§ 152(c), 181, 182, 190(d), Sept. 8, 1982, 96 Stat. 776, 784, 785, 787; Pub. L. 99–114, § 4, Oct. 1, 1985, 99 Stat. 488; Pub. L. 99–157, § 2, Nov. 15, 1985, 99 Stat. 818; Pub. L. 99–182, § 2, Dec. 13, 1985, 99 Stat. 1173; Pub. L. 99–198, title XV, § 1540, Dec. 23, 1985, 99 Stat. 1588; Pub. L. 100–435, title V, §§ 504, 505, Sept. 19, 1988, 102 Stat. 1673; Pub. L. 101–624, title XVII, §§ 1729(b), 1731, 1754–1759, Nov. 28, 1990, 104 Stat. 3790, 3798–3800, 3802; Pub. L. 102–237, title IX, § 941(8), Dec. 13, 1991, 105 Stat. 1893; Pub. L. 103–66, title XIII, § 13925, Aug. 10, 1993, 107 Stat. 675; Pub. L. 103–225, title II, § 204, Mar. 25, 1994, 108 Stat. 109; Pub. L. 104–127, title IV, § 401(c), (d), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 104–193, title I, § 109(d), title VIII, §§ 815(b)(1), 850–852, 854(c)(2), Aug. 22, 1996, 110 Stat. 2169, 2317, 2336–2338, 2342; Pub. L. 105–18, title VII, [(b)], June 12, 1997, 111 Stat. 217; Pub. L. 105–277, div. A, § 101(f) [title VIII, § 405(d)(2)(C), (f)(2)(C)], Oct. 21, 1998, 112 Stat. 2681–337, 2681–418, 2681–429; Pub. L. 107–171, title IV, §§ 4112(b)(4), 4116(b), 4122(b), 4123(a), May 13, 2002, 116 Stat. 313, 316, 324.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (b)(1)(B)(v), (vi), (3)(A), (B), (I) and (d)(1)(B), (3)(C), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title IV, part A of title IV, and title XVI of the Act are classified generally to subchapter IV (§ 601 et seq.), part A (§ 601 et seq.) of subchapter IV, and subchapter XVI (§ 1381 et seq.), respectively, of chapter 7 of Title 42, The Public Health and Welfare. Part F of title IV of the Act was classified generally to part F (§ 681 et seq.) of subchapter IV of chapter 7 of Title 42, prior to repeal by Pub. L. 104–193, title I, § 108(e), Aug. 22, 1996, 110 Stat. 2167. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Workforce Investment Act of 1998, referred to in subsec. (b)(2), is Pub. L. 105–220, Aug. 7, 1998, 112 Stat. 936, as amended. Title I of the Act is classified principally to chapter 30 (§ 2801 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 9201 of Title 20, Education, and Tables.

The Fair Labor Standards Act of 1938, as amended, referred to in subsec. (b)(2), is act June 25, 1938, ch. 676, 52 Stat. 1060, as amended, which is classified generally to chapter 8 (§ 201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

Sections 481 to 487 of the Social Security Act, referred to in subsec. (b)(3)(C), (E), were classified to section 681 to 687, respectively, of Title 42, The Public Health and Welfare, prior to repeal by Pub. L. 104–193, title I, § 108(e), Aug. 22, 1996, 110 Stat. 2167.

Section 402 of the Social Security Act, referred to in subsec. (b)(3)(C), which was classified to section 602 of

Title 42, The Public Health and Welfare, was repealed and a new section 402 enacted by Pub. L. 104–193, title I, § 103(a)(1), Aug. 22, 1996, 110 Stat. 2112, and, as so enacted, no longer contains subsecs. (a)(19) and (g).

The Omnibus Budget Reconciliation Act of 1981, referred to in subsec. (e), is Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 357. Part 1 of subtitle A of title I of the Omnibus Budget Reconciliation Act amended this chapter generally. For complete classification of this Act to the Code, see Tables.

The Food Stamp and Commodity Distribution Amendments of 1981, referred to in subsec. (e), is title XIII of Pub. L. 97–98, Dec. 22, 1981, 95 Stat. 1282, which amended this chapter generally. For complete classification of this Act to the Code, see Short Title of 1981 Amendment note set out under section 2011 of this title and Tables.

The Food Stamp Act Amendments of 1982, referred to in subsec. (e), is subtitle E of title I of Pub. L. 97–253, Sept. 8, 1982, 96 Stat. 772, which amended this chapter generally. For complete classification of this Act to the Code, see Short Title of 1982 Amendment note set out under section 2011 of this title and Tables.

AMENDMENTS

2002—Subsec. (a)(1). Pub. L. 107–171, § 4123(a), substituted “enter into contracts with or make grants to public or private organizations or agencies under this section to” for “, by way of making contracts with or grants to public or private organizations or agencies,” and inserted at end “The waiver authority of the Secretary under subsection (b) of this section shall extend to all contracts and grants under this section.”

Subsec. (b)(1)(B)(iv)(III)(aa). Pub. L. 107–171, § 4112(b)(4), substituted “paragraphs (4) and (5) of section 2012(i) of this title” for “the last 2 sentences of section 2012(i) of this title”.

Subsec. (b)(1)(B)(vi). Pub. L. 107–171, § 4122(b), substituted “2007” for “2002”.

Subsecs. (i) to (k). Pub. L. 107–171, § 4116(b), redesignated subsecs. (j) and (k) as (i) and (j), respectively, and struck out former subsec. (i) which related to grants to improve food stamp participation.

1998—Subsec. (b)(2). Pub. L. 105–277, § 101(f) [title VIII, § 405(f)(2)(C)], in second sentence, struck out “the Job Training Partnership Act or” before “title I of the Workforce”.

Pub. L. 105–277, § 101(f) [title VIII, § 405(d)(2)(C)], in second sentence, substituted “to accept an offer of employment from a political subdivision or provider pursuant to a program carried out under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,” for “to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812),” and substituted “, if all of the jobs supported under the program have been made available to participants in the program before the political subdivision or provider providing the jobs extends an offer of employment under this paragraph, and if the political subdivision or provider, in employing the person, complies with the requirements of Federal law that relate to the program.” for “: *Provided*, That all of the political subdivision’s or prime sponsor’s public service jobs supported under the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812), are filled before such subdivision or sponsor can extend a job offer pursuant to this paragraph: *Provided further*, That the sponsor of each such project shall provide the assurances required of prime sponsors under section 205(c)(7), (8), (15), (19), and (24) of the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 845(c)), and the Secretary shall require such sponsors to comply with the conditions contained in sections 208(a)(1), (4), and (5) and (c) and 703(4) of the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 848(a) and (c) and 983).”

1997—Subsec. (b)(1)(B)(iv)(VII). Pub. L. 105–18 added subcl. (VII).

1996—Subsec. (b)(1). Pub. L. 104-193, §§850, 851, in first sentence, substituted “benefits to eligible households, and may waive any requirement of this chapter to the extent necessary for the project to be conducted.” along with subpar. (B) heading, cls. (i) to (iv), cl. (v) of subpar. (B) heading, and “A pilot or experimental project may include” for “benefits to eligible households, including”, in subpar. (B)(v), substituted “are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)” for “to aid to families with dependent children under part A of title IV of the Social Security Act”, substituted “coupons.” along with cl. (vi) of subpar. (B) heading and “Any pilot” for “coupons. The Secretary may waive the requirements of this chapter to the degree necessary for such projects to be conducted, except that no project, other than a project involving the payment of the average value of allotments by household size in the form of cash to eligible households or a project conducted under paragraph (3), shall be implemented which would lower or further restrict the income or resource standards or benefit levels provided pursuant to sections 2014 and 2017 of this title. Any pilot”, redesignated former subpar. (B) as (C), and added subpar. (D).

Pub. L. 104-193, §109(d)(1), which directed substitution of “or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)” for “to aid to families with dependent children under part A of title IV of the Social Security Act” in first sentence of subsec. (b)(1)(A), effective July 1, 1997, could not be executed because of amendment by Pub. L. 104-193 which redesignated portions of subsec. (b)(1)(A) and struck out the language sought to be amended. See above.

Pub. L. 104-127, §401(c), substituted “October 1, 2002” for “October 1, 1995” in last sentence of par. (1)(A).

Subsec. (b)(2). Pub. L. 104-193, §815(b)(1), substituted “section 2015(d)(1)(A)(i)” for “section 2015(d)(1)(i)” in second sentence.

Subsec. (b)(3)(I). Pub. L. 104-193, §109(d)(2), added subpar. (I).

Subsec. (d). Pub. L. 104-193, §852, added subsec. (d) and struck out former subsec. (d) which authorized pilot projects for employment of applicants and recipients, defined “qualification period”, and provided for exceptions, waiver of requirements, and reestablishment of eligibility.

Subsec. (i). Pub. L. 104-193, §854(c)(2), redesignated subsec. (j) as (i) and struck out former subsec. (i) which authorized four demonstration projects, in both urban and rural areas, under which households in which each member received benefits under State plan approved under part A of title IV of Social Security Act would be issued monthly allotments following rules and procedures of programs under part A of title IV of Social Security Act, and without regard to eligibility, benefit, and administrative rules established under this chapter.

Subsec. (j). Pub. L. 104-193, §854(c)(2), redesignated subsec. (k) as (j). Former subsec. (j) redesignated (i).

Subsec. (j)(1)(A). Pub. L. 104-127, §401(d), substituted “2002” for “1995”.

Subsecs. (k), (l). Pub. L. 104-193, §854(c)(2)(B), redesignated subsec. (l) as (k). Former subsec. (k) redesignated (j).

1994—Subsec. (l). Pub. L. 103-225 added subsec. (l).

1993—Subsec. (k). Pub. L. 103-66 added subsec. (k).

1991—Subsec. (b)(3)(C). Pub. L. 102-237 inserted a closing parenthesis after “402(g)(1)(A)”.

1990—Subsec. (a). Pub. L. 101-624, §1731, designated existing provisions as par. (1) and added par. (2).

Subsec. (b)(1). Pub. L. 101-624, §1756(1), inserted “or a project conducted under paragraph (3)” after “eligible households” in second sentence of subpar. (A).

Pub. L. 101-624, §1755, designated existing provisions as subpar. (A) and added subpar. (B).

Pub. L. 101-624, §1754, substituted “1995” for “1990”.

Subsec. (b)(3). Pub. L. 101-624, §1756(2), added par. (3).

Subsec. (f). Pub. L. 101-624, §1729(b), struck out par. (1) designation preceding text.

Subsec. (h). Pub. L. 101-624, §1757, added subsec. (h).

Subsec. (i). Pub. L. 101-624, §1758, added subsec. (i).

Subsec. (j). Pub. L. 101-624, §1759, added subsec. (j).

1988—Subsec. (f). Pub. L. 100-435, §504, added subsec. (f).

Subsec. (g). Pub. L. 100-435, §505, added subsec. (g).

1985—Subsec. (b)(1). Pub. L. 99-198, §1540(a), substituted “October 1, 1990” for “December 31, 1985”.

Pub. L. 99-182 substituted “December 31, 1985” for “December 13, 1985”.

Pub. L. 99-157 substituted “December 13, 1985” for “November 15, 1985”.

Pub. L. 99-114 substituted “through November 15, 1985” for “until October 1, 1985”.

Subsecs. (d) to (f). Pub. L. 99-198, §1540(b), (c), struck out subsec. (d) which had authorized the Secretary to conduct statewide pilot projects respecting the processing of applications for certain recipients, and redesignated subsecs. (e) and (f) as (d) and (e), respectively.

1982—Subsec. (d). Pub. L. 97-253, §§152(c), 190(d), redesignated subsec. (f) as (d), and struck out former subsec. (d), which provided that notwithstanding any other provision of law, the Secretary has required, in consultation with the Secretary of the Treasury, to conduct a study, through the use of Federal income tax data, of the feasibility, alternative methods of implementation, and the effects of a program to recover food stamp benefits from members of eligible households in which the adjusted gross income of members of such households for a calendar year (as defined by the Internal Revenue Code of 1954) exceeded twice the income poverty guidelines set forth in section 2014(c) of this title, and that such study had to be conducted in rural and urban areas only on a voluntary basis by food stamp recipients, and that the Secretary was required, no later than twelve months and eighteen months from September 29, 1977, to report the results of the study to the Committees on Agriculture and Ways and Means of the House of Representatives and to the Committees on Agriculture, Nutrition, and Forestry and Finance of the Senate, together with such recommendations as the Secretary deemed appropriate.

Subsec. (e). Pub. L. 97-253, §§152(c), 190(d), redesignated subsec. (g) as (e) and struck out former subsec. (e) which provided for a study of the Consumer Price Index and other alternative consumer price or cost-of-living indices.

Subsec. (f). Pub. L. 97-253, §190(d), redesignated subsec. (h) as (f). Former subsec. (f) redesignated (d).

Subsecs. (g), (h). Pub. L. 97-253, §§181, 182, 190(d), added subsecs. (g) and (h) and redesignated them as (e) and (f), respectively.

1981—Subsec. (b)(1). Pub. L. 97-98, §1328, substituted “may conduct” for “is authorized to conduct”, “age sixty-five or over and any of whose members are entitled to supplemental security income benefits under title XVI of the Social Security Act or to aid to families with dependent children under part A of title IV of the Social Security Act” for “either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act”, and “October 1, 1985” for “October 1, 1981” and inserted “or the average value of allotments by household size” after “value of allotments”, “”, other than a project involving the payment of the average value of allotments by household size in the form of cash to eligible households,” after “no project”, “and operating as of October 1, 1981,” after “under this paragraph” and “all of whose members are either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act” before “shall be continued”.

Subsec. (c). Pub. L. 97-98, §1329, inserted provision authorizing the Secretary to implement pilot programs to test various means of measuring on a continual basis the nutritional status of low income people in order to develop minimum common criteria and methods for systematic nutrition monitoring that could be applied on a nationwide basis and directing the Secretary to report on the progress of these pilot programs on an an-

nual basis commencing on July 1, 1982, to designated Congressional committees.

Subsec. (f). Pub. L. 97-98, § 1330, added subsec. (f).

1980—Subsec. (b)(1). Pub. L. 96-249, § 130, inserted provisions requiring that any pilot or experimental project implemented under this paragraph involving the payment of the value of allotments in the form of cash to eligible households be continued until October 1, 1981, if the State so requests.

Subsec. (b)(2). Pub. L. 96-249, §§ 131, 132(a), inserted “(ten days in at least one pilot project area designated by the Secretary)” after “thirty days” and substituted “interim reports no later than October 1, 1979, October 1, 1980, and March 30, 1981, shall issue a final report describing the results of such pilot project based upon their operation from their commencement through the fiscal year ending September 30, 1981, and shall pay to the agencies or organizations operating such pilot projects 50 per centum of all administrative costs involved in such operation” for “an interim report no later than October 1, 1979, and shall issue a final report describing the results of such pilot projects no later than October 1, 1980”.

Subsec. (e). Pub. L. 96-249, § 133, added subsec. (e).

1978—Subsec. (b)(2). Pub. L. 95-400 required issuance of an interim report no later than Oct. 1, 1979, and substituted requirement for issuance of a final report no later than Oct. 1, 1980, for prior requirement of a final report no later than eighteen months following Sept. 29, 1977.

1977—Pub. L. 95-113 substituted provisions relating to research, demonstrations, and evaluations for provisions relating to the purchase with coupons of hunting and fishing equipment for procuring food by members of eligible households living in Alaska.

#### EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, § 4123(b), May 13, 2002, 116 Stat. 324, provided that: “The amendments made by this section [amending this section] take effect on the date of enactment of this Act [May 13, 2002].”

Amendment by sections 4112(b)(4), 4116(b), and 4122(b) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

#### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 101(f) [title VIII, § 405(d)(2)(C)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, § 405(f)(2)(C)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, § 405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

#### EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 109(d) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

#### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

#### EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section

1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

#### EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1729(b), 1731, and 1755 to 1759 of Pub. L. 101-624 effective Nov. 28, 1990, and amendment by section 1754 of Pub. L. 101-624 effective Oct. 1, 1990, see section 1781(a), (b)(1) of Pub. L. 101-624, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, except that such amendment to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(a), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE OF 1980 AMENDMENT

Section 132(b) of Pub. L. 96-249 provided that: “The provisions of section 17(b)(2) of the Food Stamp Act of 1977 [subsec. (b)(2) of this section] for the sharing of administrative costs, as added by subsection (a) of this section, shall be effective on the date of enactment of this Act [May 26, 1980].”

#### EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

#### TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c) of this section relating to annual reports on the progress of pilot programs, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 48 of House Document No. 103-7.

#### STUDY OF USE OF FOOD STAMPS TO PURCHASE VITAMINS AND MINERALS

Section 855 of Pub. L. 104-193 provided that:

“(a) IN GENERAL.—The Secretary of Agriculture, in consultation with the National Academy of Sciences and the Center for Disease Control and Prevention, shall conduct a study on the use of food stamps provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) to purchase vitamins and minerals.

“(b) ANALYSIS.—The study shall include—

“(1) an analysis of scientific findings on the efficacy of and need for vitamins and minerals, including—

“(A) the adequacy of vitamin and mineral intakes in low-income populations, as shown by research and surveys conducted prior to the study; and

“(B) the potential value of nutritional supplements in filling nutrient gaps that may exist in the



United States population as a whole or in vulnerable subgroups in the population;

“(2) the impact of nutritional improvements (including vitamin or mineral supplementation) on the health status and health care costs of women of childbearing age, pregnant or lactating women, and the elderly;

“(3) the cost of commercially available vitamin and mineral supplements;

“(4) the purchasing habits of low-income populations with regard to vitamins and minerals;

“(5) the impact of using food stamps to purchase vitamins and minerals on the food purchases of low-income households; and

“(6) the economic impact on the production of agricultural commodities of using food stamps to purchase vitamins and minerals.

“(c) REPORT.—Not later than December 15, 1998, the Secretary shall report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”

#### DEMONSTRATION PROJECTS FOR VEHICLE EXCLUSION LIMIT

Section 912 of Pub. L. 102-237 provided that: “The Secretary of Agriculture shall solicit requests to participate in the demonstration projects required by section 17(h) of the Food Stamp Act of 1977 (7 U.S.C. 2026(h)) by May 1, 1992. The projects shall commence operations no later than January 1, 1993.”

### § 2027. Appropriations and allotments

#### (a) Authorization of allotments; monthly reports of expenditures to Congressional committees; restriction on use of funds; nutrition education improvements

(1) To carry out this chapter, there are authorized to be appropriated such sums as are necessary for each of the fiscal years 2003 through 2007. Not to exceed one-fourth of 1 per centum of the previous year's appropriation is authorized in each such fiscal year to carry out the provisions of section 2026 of this title, subject to paragraph (3).

(2) No funds authorized to be appropriated under this chapter or any other Act of Congress shall be used by any person, firm, corporation, group, or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this chapter or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall ensure that this paragraph is complied with by such order or other means as the President deems appropriate.

(3)(A) Of the amounts made available under the second sentence of paragraph (1), not more than \$2,000,000 in any fiscal year may be used by the Secretary to make 2-year competitive grants that will—

(i) enhance interagency cooperation in nutrition education activities; and

(ii) develop cost effective ways to inform people eligible for food stamps about nutrition, resource management, and community nutrition education programs, such as the expanded food and nutrition education program.

(B) The Secretary shall make awards under this paragraph to one or more State cooperative

extension services (as defined in section 3103(5) of this title) who shall administer the grants in coordination with other State or local agencies serving low-income people.

(C) Each project shall include an evaluation component and shall develop an implementation plan for replication in other States.

(D) The Secretary shall report to the appropriate committees of Congress on the results of the projects and shall disseminate the results through the cooperative extension service system and to State human services and health department offices, local food stamp program offices, and other entities serving low-income households.

#### (b) Limitation of value of allotments; reduction of allotments

In any fiscal year, the Secretary shall limit the value of those allotments issued to an amount not in excess of the appropriation for such fiscal year. Notwithstanding any other provision of this chapter, if in any fiscal year the Secretary finds that the requirements of participating States will exceed the appropriation, the Secretary shall direct State agencies to reduce the value of such allotments to be issued to households certified as eligible to participate in the food stamp program to the extent necessary to comply with the provisions of this subsection.

#### (c) Manner of reducing allotments

In prescribing the manner in which allotments will be reduced under subsection (b) of this section, the Secretary shall ensure that such reductions reflect, to the maximum extent practicable, the ratio of household income, determined under sections 2014(d) and 2014(e) of this title, to the income standards of eligibility, for households of equal size, determined under section 2014(c) of this title. The Secretary may, in prescribing the manner in which allotments will be reduced, establish (1) special provisions applicable to persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise disabled, and (2) minimum allotments after any reductions are otherwise determined under this section.

#### (d) Requisite action by Secretary to reduce allotments; statement to Congressional committees

Not later than sixty days after the issuance of a report under subsection (a) of this section in which the Secretary expresses the belief that reductions in the value of allotments to be issued to households certified to participate in the food stamp program will be necessary, the Secretary shall take the requisite action to reduce allotments in accordance with the requirements of this section. Not later than seven days after the Secretary takes any action to reduce allotments under this section, the Secretary shall furnish the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a statement setting forth (1) the basis of the Secretary's determination, (2) the manner in which the allotments will be reduced, and (3) the action that has been taken by the Secretary to reduce the allotments.